Process Name: Accounts Receivable	**Process Identifier: AR**
Sub-Process Name: Create Receivable	**Sub-Process Identifier**: AR-2

Sub-Process Purpose and Objectives: Create detail receivable records for various types of miscellaneous receivables including loans, insurance payments, and payroll overpayments.

Sub-Process Description: The State uses STARS to create various types of receivables. Responsibility for initiating these receivables varies based upon the receivable type. Agencies initiate loan receivables, payroll initiates payroll overpayments, and the insurance administration initiates all insurance receivables. All of these transactions are reviewed and approved by Accounting.

Overpayment and Insurance receivables are initiated by the respective departments (Insurance or Payroll) by creating a JV batch in STARS. A Q-batch JV is created for overpayment receivables and an I-batch JV is created for insurance receivables. These JVs are entered in STARS and reviewed, corrected and released by Statewide Accounting (Accounts).

The loan receivables are generally created when a customer incurs a charge on a loan project. These loans are typically for utilities, various local government projects and qualifying private business projects. The customer presents invoices and a proper payment request to the loaning agency. The agency then reviews the invoice and documents to determine if it meets the terms of the original agreement. If there is a problem with the invoice or payment request, the agency issues a notice of non-compliance to the customer. If the charge meets the agreement terms, the agency creates a payment request in Stars, which will be processed in the payment process. Accounts also reviews the payment request and generates a warrant (in the payment process) for payment, which creates the receivable within STARS.

Sub-Process Trigger(s):	**Key Sub-Process Participants:**
• Contract for Loan • Insurance • Payroll overpayments • Fraudulent Insurance Claims	• Insurance Administration • Payroll • Agencies • Accounting

Process Name: Accounts Receivable		**Process Identifier: AR**	
Sub-Process Name: Create Receivable		**Sub-Process Identifier**: AR-2	

Inputs:

Input	Format	Volume/Time	Suppliers
Invoice and Payment Request	Manual	Varies	Various
I-type	Electronic	1000 per month	Various
Letter from Agency	Manual	1000 per year	N/A
Q-type	Manual	100 per year	N/A

Outputs:

Output	Format	Volume/Time	Recipients
Listing by document	Report	At least Monthly	Statewide Accounting
Trial Balance	Report	At least Monthly	Statewide Accounting
Transaction reports	Report	At least Monthly	Statewide Accounting

Performance Measures Tracked:

Measure	Approx. Value	Target Value
None		

Laws, Regulations, and Policies That Govern Sub-Process: Same as other Financial Areas

Current Sub-Process Issues/Problems: Not all receivables at agencies are being captured by STARS. No aging, statements, schedules, or automated interest calculations exist in the current system.

Improvement Opportunities:

Opportunity	Organizational Impacts
Merge cells to link one Opportunity to multiple impacts)	*(Individually list and describe laws [L] regulations [R], and policies [P], as well as cultural [C] considerations for each opportunity)*

Process Name: Accounts Receivable	**Process Identifier: AR**	
Sub-Process Name: Create Receivable	**Sub-Process Identifier**: AR-2	
Provide aging reports and schedules	New standardized process for all agencies with receivables that are not maintained in a programmatic system to follow	
Customer service improvements associated with standardized billings	New standardized process for all agencies with receivables that are not maintained in a programmatic system to follow	
Automatic generation of customer statements with invoice and interest detail	New standardized process for all agencies with receivables that are not maintained in a programmatic system to follow	
Automatic generation of dunning notices	New standardized process for all agencies with receivables that are not maintained in a programmatic system to follow	
Access to dunning history for each customer	New standardized process for all agencies with receivables that are not maintained in a programmatic system to follow	

Applications that Support the Sub-process	
Application Name(s) *(Internal name and vendor's name)*	**Technology Description** *(Programming vendor, language, platform, database, etc.)*
Statewide Accounting and Reporting System (STARS)	STARS is KPMG's mainframe governmental accounting system. It is written in COBOL and uses an IMS database.

Salvaggio, Teal & Associates
Information Systems Consulting for the Public Sector

Process: AR Accounts Receivable/Revenue	**File:** AR-1.vsd
Sub-Process: AR-2-1 Overpayment & Insurance Rec	**Date:** 09/02/02
Prepared By: Salvaggio, Teal and Associates	**Page:** 1/1

Payroll/Insurance Admin

Overpayment Notification → Prepare Q-type JV → Enter JV in STARS

Insurance Notification → TIS Interface I-type JV

Statewide Accounting

Review, Correct, and Release

STARS

Create JV

Process JV

Process:	AR Accounts Receivable/Revenue	File:	AR-1.vsd
Sub-Process:	AR-2-2 Loan Receivable	Date:	09/02/02
Prepared By:	Salvaggio, Teal and Associates	Page:	1/1